GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:3118
ANSWERED ON:20.03.2008
PRODUCTION OF PIG IRON, SPONGE IRON AND STEEL
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Will the Minister of STEEL be pleased to state:

(a) the production of pig iron, sponge iron and steel during each of the last three years and current year, plant-wise;

(b) whether the Government has made any efforts to increase the production of pig iron, sponge iron and steel through the modernisation programmes;

(c) if so, the details of the said programmes undertaken, plant-wise and the investment made during the said period; and

(d) the quantum of increase in production and value thereof of pig iron, sponge iron and steel as a result of such modernisation programmes?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a) The production data of pig iron, sponge iron and crude/liquid steel during each of the last three years and current year, plant-wise are given in Annexures I, II and III respectively.

(b)to(d) The government in today`s liberalized, de-controlled market set up plays the role of a facilitator, for promoting industrial growth through suitable policy measures, based on its assessment of market conditions. Modernization programmes are undertaken by individual plants/ producers of pig iron/sponge iron/steel based on various factors including market demand-supply conditions, both domestic and global.

Steel Authority of India Ltd. (SAIL) has undertaken a number of addition, modification and replacement (AMR) schemes for sustenance and improved working of its existing assets. SAIL has also initiated expansion and modernization of its five integrated steel plants and Special Steel Plant to increase production of hot metal from the level of 14.6 million tonnes per annum in 2006-07 to 26.2 million tonnes per annum by the year 2010-11 at a present indicative cost of Rs.54,000 crores.

The major modernization pogrammes of Rashtriya Ispat Nigam Ltd. (RINL)alongwith proposed investments are as under:-

S.No.	Programme	Proposed Investment (Rs in crores)
1	Conversion of Oxygen Compressors to Nitrogen Compressors in Utilities	6.5
2.	Modernization of Continuous Casting Machine No. 2	77
3.	Installation of Combined blowing facilities in LD Converters	37.3
4.	Pulverized Coal Dust Injection in Blast Furnace	133
5.	Procurement of Stacker cum Reclaimer for RMHP	10.13
6.	Extension of Handling and Finishing Line No. 3 of SMS	15.2
7	Procurement of Capacity enhanced Impeller for Sinter Plant	7

RINL is adding Coke Oven Battery No.4, Air Separation Plant Power Plant, Pulverised Coal Injection for Blast Furnace 1 & 2 and Continuous Casting Machine under modernization. Under capacity enhancement plan Sinter Plant No.3, Blast Furnace No.3, Steel Melting Shop No.2; Wire Rod Mill No.2 and Bar Mill & structural Mill are being added. The commitment already made so, for the expansion plan is Rs. 8702 crores.

The Project i.e.`Conversion of Oxygen Compressors to Nitrogen Compressors in Utilities is completed and has resulted in increase of converter life from average 3225 tonnes in 2006-07 to 3400 tonnes in 2007-08. The other projects are currently in various stages of implementation. RINL is expanding its present liquid steel capacity of 3 MT per year to 6.3 MT per year at a cost of Rs. 8692 crores.

The unit-wise additions to working capacity and production for the Main Steel Plants (private and public sectors) during the last three years are as under:

	2004-05 Capa- city	Produn (%)	Utilzn	2005-06 Capa- city	Produn (%)	Utilzn	2006-07 Capa- city	Produn (%)	Utilzn
SAIL	12.86	12.46	97%	12.86	13.47	105%	12.84@	13.5	105%
RINL	2.91	3.45	119%	2.91	3.49	120%	2.91	3.50	120%
TISCO	4.0	4.1	103%	5.0	4.7	95%	5.0	5.17	103%
Other Majors & EAF#	11.13	10.23	92%	11.7	11.3	96%	16.6	13.3	80%
Induction Furnace	17.1	13.2	77%	18.7	13.5	72%	19.5	15.4	79%
Grand Total	48.0	43.4	91%	51.2	46.5	91%	56.8	50.9	89%

Source: JPC

@ The reduction in capacity is on account of inclusion of IISCO`s closed capacity.
#EAF = Electric Arc Funaces.